



To: Materials Management & Local Assistance Program

From: John Denholm on behalf of Oil Changer, Inc.

Subject: Used Oil LCA as Directed by California S.B. 546

Date: September 7, 2010

Oil Changer appreciates this opportunity to comment on the upcoming lifecycle analysis for used oil. Generally, we find the SOW well-crafted and consistent with the spirit and the letter of SB 546. Clearly, the statute gives the stakeholders advisory and oversight roles but protects the integrity of the process and the final product by leaving the decision-making to the Contractor. The SOW ensures that collaboration occurs between stakeholders and contractors where appropriate and erects firewalls between the two when necessary.

Until recently, in-depth studies of used oil have been few and far between. Crafting an LCA that will be used as a guidepost for future legislation requires that this process be impartial and protected from external agendas yet draw upon the knowledge of the stakeholders requires a crucial balance that must be kept throughout the process.

For this reason we believe that the integrity of the model can only be assured if the Contractor, with the stakeholders' input, has the responsibility for developing the model independent from the stakeholder body. Allowing stakeholder input into the model provides for important transparency in the process without risking public skepticism of the final model and the final report. We fear that providing the model to stakeholders will enable stakeholders, if they so desire, to change the model as they see fit and will enable the stakeholders, if they so desire, to undermine the conclusions reached by the LCA.

Contrary to what some have suggested, neither an eco-efficiency analysis nor econometric modeling should be part of the LCA study. These elements would be beyond the scope of the statutory authority for the LCA. First, these elements are not typically included in a life cycle analysis. Second, Section 48651.5 of the Public Resources Code gives a third party consultant the responsibility for the LCA only (paragraph (A) of subdivision (b)), while the department is given express responsibility for evaluating specified regulatory requirements (paragraph (C) of subdivision (b)). Third, if the SOW were revised to include eco-efficiency analysis or econometric modeling, this would probably require the LCA contractor to increase its bid and increase the length of time required to complete the LCA. Finally, it is important to note that most LCA contractors are typically not econometric modelers.

We look forward to the next stage in this process and welcome the chance to lend our expertise and experience.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Denholm', with a stylized flourish at the end.

John Denholm

Purchasing and Compliance Officer

Oil Changer, Inc.